

**U.S. District Court [LIVE]
NYWD U.S. District Court [LIVE] (Buffalo)
CRIMINAL DOCKET FOR CASE #: 1:03-mj-01117-LGF-ALL
Internal Use Only**

Case title: USA v. Chui
Other court case number(s): None
Magistrate judge case number(s): None

Date Filed: 12/19/03

Assigned to: Hon. Leslie G. Foschio
Referred to:

Defendant(s)

Kam Wai Chui (1)

represented by **E. Carey Cantwell**
E. Carey Cantwell P.C.
295 Main Street
984 Ellicott Square Building
Buffalo, NY 14203
716-853-1300
Fax : 716-853-1303
Email: ecantw4174@aol.com
LEAD ATTORNEY
ATTORNEY TO BE NOTICED
Designation: CJA Appointment

Pending Counts

None

Highest Offense Level (Opening)

None

Terminated Counts

None

Highest Offense Level (Terminated)

None

Disposition

**ATTEST: A TRUE COPY
U.S. DISTRICT COURT, WDNY
RODNEY C. EARLY, CLERK**

By 
Deputy Clerk

Original Filed

Disposition

Complaints

Disposition

18:1341.F, mail fraud; 18:1956, money
laundering;

Plaintiff

USA

represented by **Marie P. Grisanti**
U.S. Attorney's Office
Federal Centre
138 Delaware Avenue
Buffalo, NY 14202
716-843-5818
Fax : 716-551-3052
Email: marie.grisanti@usdoj.gov
LEAD ATTORNEY
ATTORNEY TO BE NOTICED

Filing Date	#	Docket Text
12/19/2003	<u>1</u>	Arrest (Rule 5) of Kam Wai Chui (LMP,) (Entered: 02/23/2004)
12/19/2003	<u>2</u>	Minute Entry for proceedings held before Judge Leslie G. Foschio :Initial Appearance in Rule 5 Proceedings as to Kam Wai Chui held on 12/19/2003 (LMP,) (Entered: 02/23/2004)
12/19/2003	<u>3</u>	CJA 23 Financial Affidavit by Kam Wai Chui (LMP,) (Entered: 02/23/2004)
12/24/2003	<u>4</u>	Minute Entry for proceedings held before Judge Leslie G. Foschio :Initial Appearance continued as to Kam Wai Chui held on 12/24/2003 (LMP,) (Entered: 02/23/2004)
12/24/2003	<u>5</u>	Minute Entry for proceedings held before Judge Leslie G. Foschio :Detention Hearing as to Kam Wai Chui held on 12/24/2003 (LMP,) (Entered: 02/23/2004)
12/24/2003	<u>6</u>	WAIVER of Rule 40 Hearings by Kam Wai Chui (LMP,) (Entered: 02/23/2004)
12/24/2003	<u>7</u>	ORDER HOLDING DEFENDANT TO ANSWER AND APPEAR as to

		Kam Wai Chui . Signed by Judge Leslie G. Foschio on 12/24/03. (LMP,) (Entered: 02/23/2004)
12/24/2003	<u>7</u>	COMMITMENT TO ANOTHER DISTRICT as to Kam Wai Chui. Defendant committed to District of MASSACHUSETTS. . Signed by Judge Leslie G. Foschio on 12/24/03. (LMP,) (Entered: 02/23/2004)
01/14/2004	<u>8</u>	CJA 20 as to Kam Wai Chui : Appointment of Attorney E. Carey Cantwell for Kam Wai Chui. . Signed by Judge Leslie G. Foschio on 1/8/04. (LMP,) (Entered: 02/23/2004)
01/22/2004	<u>9</u>	TRANSCRIPT of Proceedings as to Kam Wai Chui held on 12/24/03 before Judge Foschio. Transcriber Michelle McLaughlin. (29 pp.) (LMP,) (Entered: 02/23/2004)
02/09/2004	<u>10</u>	CJA 20 as to Kam Wai Chui : Authorization to Pay E. Carey Cantwell. Amount: \$ \$369.00, Voucher # 040109000101. . Signed by Judge Leslie G. Foschio on 2/2/04. (LMP,) (Entered: 02/23/2004)
02/23/2004	<u>11</u>	ORDER OF DETENTION as to Kam Wai Chui Notice and copy will be mailed to U.S. Pretrial Services, U.S. Marshals Services. Signed by Judge Leslie G. Foschio on 1/15/04. (LMP,) (Entered: 02/23/2004)

UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF NEW YORK

UNITED STATES OF AMERICA

v.

KAM WAI CHUI,

Defendant

ORDER OF DETENTION PENDING TRIAL

Docket No. 03-M-1117

AT _____
BY _____
TITLE _____

In accordance with the Bail Reform Act, 18 U.S.C. Section 3142(f)(1), a detention hearing was been held December 24, 2003. I conclude that the following facts require the detention of the defendant pending trial in this case.

ALTERNATIVE FINDINGS (B)

1. There is a serious risk that the defendant will not appear.

PART II - WRITTEN STATEMENT OF REASONS FOR DETENTION

I find that the credible testimony and information submitted at the hearing establishes by a preponderance of the evidence that: Defendant is charged with mail fraud and faces a substantial sentence. The case against Defendant is strong. Defendant fled to China after being named as a target. Defendant failed to advise his family with whom he then resided of his intention to travel to China instead telling them he was going to Philadelphia. While in China for last nine months, Defendant had no contact with his girlfriend. Defendant has apparent access to his family.

ATTEST: ~~ATTEST~~ COPY
U.S. DISTRICT COURT, WDNY
RODNEY C. EARLY, CLERK

By _____
Deputy Clerk

Original Filed _____

of undisclosed sources of funds. Pretrial recommends detention.

PART III - DIRECTIONS REGARDING DETENTION

The defendant is committed to the custody of the Attorney General or his designated representative for confinement in a corrections facility, separate, to the extent practicable, from persons awaiting or serving sentence or being held in custody pending appeal. The defendant shall be afforded a reasonable opportunity for private consultation with defense counsel. On order of a court of the United States or on request of an attorney for the Government, the person in charge of the corrections facility shall deliver the defendant to the United States marshal for the purpose of an appearance in connection with a court proceeding.

A handwritten signature in black ink, appearing to read 'Leslie G. Foschio', is written over a horizontal line.

LESLIE G. FOSCHIO
United States Magistrate Judge

DATED: January 15, 2004
Buffalo, New York

Other Orders/Judgments1:03-mj-01117-LGF USA v. Chui**U.S. District Court [LIVE]****NYWD U.S. District Court [LIVE]****Notice of Electronic Filing**

The following transaction was received from LMP, entered on 2/23/2004 at 2:55 PM EST and filed on 2/23/2004

Case Name: USA v. Chui**Case Number:** 1:03-mj-1117**Filer:****Document Number:** 11**Docket Text:**

ORDER OF DETENTION as to Kam Wai Chui Notice and copy will be mailed to U.S. Pretrial Services, U.S. Marshals Services. Signed by Judge Leslie G. Foschio on 1/15/04. (LMP,)

The following document(s) are associated with this transaction:

Document description:Main Document**Original filename:**n/a**Electronic document Stamp:**

[STAMP dcccStamp_ID=1042579058 [Date=2/23/2004] [FileNumber=65283-0]
[930e2f1071afcd46020fb731877bb383f0395ad9890d8d63131762889249cd5eb8425
2b3bb66ab52b8ca67247323c1a243ae64f97ae9c17e163501a644ba6cba]]

1:03-mj-1117-1 Notice will be electronically mailed to:

E. Carcy Cantwell ecantw4174@aol.com,

Marie P. Grisanti marie.grisanti@usdoj.gov, joanne.beale@USDOJ.GOV

1:03-mj-1117-1 Notice will not be electronically mailed to:

NK

U.S. DISTRICT COURT
W.D.N.Y. BUFFALO

1. CTR./DIST./DIV. CODE NYW		2. PERSON REPRESENTED CHUI, KAM WAI		VOUCHER NUMBER 0401098000101	
3. MAG. DKT./DEF. NUMBER 1:03-001117-001		4. DIST. DKT./DEF. NUMBER		5. APPEALS DKT./DEF. NUMBER	
6. OTHER DKT. NUMBER		7. IN CASE/MATTER OF (Case Name) U.S. v. CHUI		8. PAYMENT CATEGORY Felony	
9. TYPE PERSON REPRESENTED Adult Defendant		10. REPRESENTATION TYPE (See Instructions) Criminal Case			
11. OFFENSE(S) CHARGED (Cite U.S. Code, Title & Section) If more than one offense, list (up to five) major offenses charged, according to severity of offense. 1) 18 USC 1341.F -- FRAUDS AND SWINDLES					
12. ATTORNEY'S NAME (First Name, M.I., Last Name, including any suffix) AND MAILING ADDRESS CANTWELL, E CAREY 295 MAIN STREET SUITE 984 BUFFALO NY 14203-2509 Telephone Number: (716) 853-1300			13. COURT ORDER <input checked="" type="checkbox"/> O Appointing Counsel <input type="checkbox"/> P Subs For Federal Defender <input type="checkbox"/> P Subs For Panel Attorney <input type="checkbox"/> C Co-Counsel <input type="checkbox"/> R Subs For Retained Attorney <input type="checkbox"/> Y Standby Counsel Prior Attorney's Name: _____ Appointment Date: _____ <input type="checkbox"/> Because the above-named person represented has testified under oath or has otherwise satisfied this court that he or she (1) is financially unable to employ counsel and (2) does not wish to waive counsel, and because the interests of justice so require, the attorney whose name appears in Item 12 is appointed to represent this person in this case, or <input type="checkbox"/> Other (See Instructions) _____ Signature of Presiding Judicial Officer or By Order of the Court: _____ Date of Order: 12/19/03 Repayment or partial repayment ordered from the person represented for this service at time of appointment: <input type="checkbox"/> YES <input type="checkbox"/> NO		
14. NAME AND MAILING ADDRESS OF LAW FIRM (only provide per instructions) E CAREY CANTWELL PC 295 MAIN STREET SUITE 984 BUFFALO NY 14203-2509					

CATEGORIES (Attach Itemization of services with dates)	HOURS CLAIMED	TOTAL AMOUNT CLAIMED	MATH/TECH ADJUSTED HOURS	MATH/TECH ADJUSTED AMOUNT	ADDITIONAL REVIEW
15. a. Arraignment and/or Plea					
b. Bail and Detention Hearings					
c. Motion Hearings	1.75				
d. Trial 1.8 x 90 = 162.00					
e. Sentencing Hearings					
f. Revocation Hearings					
g. Appeals Court					
h. Other (Specify on additional sheets)					
(Rate per hour = \$ 90 ⁰⁰) TOTALS:	1.75	157.50			162.00
16. a. Interviews and Conferences	2.25				
b. Obtaining and reviewing records					
c. Legal research and brief writing					
d. Travel time 2.3 x 90 = 207.00					
e. Investigative and Other work (Specify on additional sheets)					
(Rate per hour = \$ 90 ⁰⁰) TOTALS:	2.25	202.50			207.00
17. Travel Expenses (lodging, parking, meals, mileage, etc.)					
18. Other Expenses (other than expert, transcripts, etc.)					
		360.00			360.00
19. CERTIFICATION OF ATTORNEY/PAYEE FOR THE PERIOD OF SERVICE FROM 12/19/03 TO 12/29/03		20. APPOINTMENT TERMINATION DATE IF OTHER THAN CASE COMPLETION		21. CASE DISPOSITION	
22. CLAIM STATUS <input checked="" type="checkbox"/> Final Payment <input type="checkbox"/> Interim Payment Number _____ <input type="checkbox"/> Supplemental Payment Have you previously applied to the court for compensation and/or reimbursement for this case? <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO If yes, when was paid? <input type="checkbox"/> YES <input type="checkbox"/> NO Other than from the court, have you or to your knowledge has anyone else, received payment (compensation or anything of value) from any source in connection with this representation? <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO If yes, give details on additional sheets. I swear or affirm the truth or correctness of the above statements. Signature of Attorney: [Signature] Date: 1/15/04					
23. IN COURT COMP.	24. OUT OF COURT COMP.	25. TRAVEL EXPENSES	26. OTHER EXPENSES	27. TOTAL AMT. APPR / CERT	
28. SIGNATURE OF THE PRESIDING JUDICIAL OFFICER [Signature]			DATE 12/10/04	29. JUDGE / MAG. JUDGE CODE L06F/0950	
29. IN COURT COMP.	30. OUT OF COURT COMP.	31. TRAVEL EXPENSES	32. OTHER EXPENSES	33. TOTAL AMT. APPROVED	
34. SIGNATURE OF CHIEF JUDGE, COURT OF APPEALS (OR DELEGATE) Payment approved in excess of the statutory threshold amount.			ATTEST: A TRUE COPY U.S. DISTRICT COURT W.D.N.Y. RODNEY C. EARLY, CLERK By [Signature] Deputy Clerk Original Filed _____		

X10

1. CIR/DIST/DIV. CODE NYW		2. PERSON REPRESENTED CHUI, KAM WAI		VOUCHER NUMBER 0401098000101	
3. MAG. DKT/DEF. NUMBER 1:03-001117-001		4. DIST. DKT/DEF. NUMBER		5. APPEALS DKT/DEF. NUMBER	
7. IN CASE/MATTER OF (Case Name) U.S. v. CHUI		8. PAYMENT CATEGORY Felony		9. TYPE PERSON REPRESENTED Adult Defendant	
				10. REPRESENTATION TYPE (See Instructions) Criminal Case	
11. OFFENSE(S) CHARGED (Cite U.S. Code, Title & Section) If more than one offense, list (up to five) major offenses charged, according to severity of offense. 1) 18 USC 1341.F - FRAUDS AND SWINDLES					
12. ATTORNEY'S NAME (First Name, M.I., Last Name, including any suffix) AND MAILING ADDRESS CANTWELL, E CAREY 295 MAIN STREET SUITE 984 BUFFALO NY 14203-2509 Telephone Number: (716) 853-1300			13. COURT ORDER <input checked="" type="checkbox"/> Appointing Counsel <input type="checkbox"/> Subs For Federal Defender <input type="checkbox"/> Subs For Panel Attorney <input type="checkbox"/> C Co-Counsel <input type="checkbox"/> R Subs For Retained Attorney <input type="checkbox"/> Y Standby Counsel Prior Attorney's Name: _____ Appointment Date: _____ <input type="checkbox"/> Because the above-named person represented has testified under oath or has otherwise satisfied this court that he or she (1) is financially unable to employ counsel and (2) does not wish to waive counsel, and because the interests of justice so require, the attorney whose name appears in Item 12 is appointed to represent this person in this case, or <input type="checkbox"/> Other (See Instructions) _____ Signature of Presiding Judicial Officer or By Order of the Court: _____ Date of Order: 12/19/03 Repayment or partial repayment ordered from the person represented for this service at time of appointment. <input type="checkbox"/> YES <input type="checkbox"/> NO		
14. NAME AND MAILING ADDRESS OF LAW FIRM (only provide per instructions) E CAREY CANTWELL PC 295 MAIN STREET SUITE 984 BUFFALO NY 14203-2509					
ITEMIZATION OF SERVICES AND FEES					
CATEGORIES (Attach itemization of services with dates)		HOURS CLAIMED	TOTAL AMOUNT CLAIMED	MATH/TECH ADJUSTED HOURS	MATH/TECH ADJUSTED AMOUNT
In Court	15. a. Arraignment and/or Plea				
	b. Bail and Detention Hearings				
	c. Motion Hearings				
	d. Trial				
	e. Sentencing Hearings				
	f. Revocation Hearings				
	g. Appeals Court				
	h. Other (Specify on additional sheets)				
(Rate per hour = \$) TOTALS:					
Out of Court	16. a. Interviews and Conferences				
	b. Obtaining and reviewing records				
	c. Legal research and brief writing				
	d. Travel time				
	e. Investigative and Other work (Specify on additional sheets)				
(Rate per hour = \$) TOTALS:					
17. Travel Expenses (lodging, parking, meals, mileage, etc.)					
18. Other Expenses (other than expert, transcripts, etc.)					
19. CERTIFICATION OF ATTORNEY/PAYEE FOR THE PERIOD OF SERVICE FROM _____ TO _____		20. APPOINTMENT TERMINATION DATE IF OTHER THAN CASE COMPLETION		21. CASE DISPOSITION	
22. CLAIM STATUS <input type="checkbox"/> Final Payment <input type="checkbox"/> Interim Payment Number _____ <input type="checkbox"/> Supplemental Payment Have you previously applied to the court for compensation and/or reimbursement for this case? <input type="checkbox"/> YES <input type="checkbox"/> NO If yes, were you paid? <input type="checkbox"/> YES <input type="checkbox"/> NO Other than from the court, have you, or to your knowledge has anyone else, received payment (compensation or anything of value) from any other source in connection with this representation? <input type="checkbox"/> YES <input type="checkbox"/> NO If yes, give details on additional sheets. I swear or affirm the truth or correctness of the above statements. Signature of Attorney: _____ Date: _____					
23. IN COURT COMP.	24. OUT OF COURT COMP.	25. TRAVEL EXPENSES	26. OTHER EXPENSES	27. TOTAL AMT. APPR / CERT.	
28. SIGNATURE OF THE PRESIDING JUDICIAL OFFICER			DATE	28a. JUDGE / MAG. JUDGE CODE	
29. IN COURT COMP.	30. OUT OF COURT COMP.	31. TRAVEL EXPENSES	32. OTHER EXPENSES	33. TOTAL AMT. APPROVED	
34. SIGNATURE OF CHIEF JUDGE, COURT OF APPEALS (OR DELEGATE) Payment approved in excess of the statutory threshold amount.			DATE	ATTEST: A TRUE COPY U.S. DISTRICT COURT, WDNY RODNEY C. EARLY, CLERK By _____ Deputy Clerk Original Filed _____	

UNITED STATES DISTRICT COURT

Western

District of

New York

UNITED STATES OF AMERICA

COMMITMENT TO ANOTHER DISTRICT

v.
Kam Wai Chui

DOCKET NUMBER

MAGISTRATE JUDGE CASE NUMBER

District of Arrest

District of Offense

District of Arrest

District of Offense

03CR10396-NG

03-M-1117

03-M-0448 RBC

CHARGES AGAINST THE DEFENDANT ARE BASED UPON AN

☒ Indictment

☐ Information

☐ Complaint

☐ Other (specify)

charging a violation of

18

U.S.C. § *1344, 1956, 982 and 2*

DISTRICT OF OFFENSE

Massachusetts

DESCRIPTION OF CHARGES:

*Mail Fraud
Money Laundering
Forfeiture
Aiding and Abetting*

ATTEST: A TRUE COPY
U.S. DISTRICT COURT, W.D.N.Y.
RODNEY G. EARY, CLERK
By *M. L. Lewis*
Deputy Clerk

CURRENT BOND STATUS:

☐ Bail Fixed at

and conditions were not met

☒ Government moved for detention and defendant detained after hearing in District of Arrest

☐ Government moved for detention and defendant detained pending detention hearing in District of Offense

☐ Other (specify)

Representation:

☐ Retained Own Counsel

☐ Federal Defender Organization

☒ CJA Attorney

☐ None

Interpreter Required?

☒ No

☐ Yes

Language:

Western DISTRICT OF *New York*

TO: THE UNITED STATES MARSHAL

You are hereby commanded to take custody of the above named defendant and to transport that defendant with a certified copy of this commitment forthwith to the district of offense as specified above and there deliver the defendant to the United States Marshal for that District or to some other officer authorized to receive the defendant.

12/24/03

Date

[Signature]

United States Judge or Magistrate Judge

RETURN

LESLIE G. FOSCHIO
UNITED STATES MAGISTRATE JUDGE

This commitment was received and executed as follows:

DATE COMMITMENT ORDER RECEIVED

PLACE OF COMMITMENT

DATE DEFENDANT COMMITTED

DATE

UNITED STATES MARSHAL

(BY) DEPUTY MARSHAL

United States District Court

Western

DISTRICT OF

New York

UNITED STATES OF AMERICA

v.

Kam Wai Chui

ORDER HOLDING DEFENDANT TO
ANSWER AND TO APPEAR
IN DISTRICT OF PROSECUTION
OR DISTRICT HAVING
PROBATION JURISDICTION

FILED
U.S. DISTRICT COURT
IN D. OF N.Y.

DEC 24, 2003

BY *M. L. Lewis*
TITLE *Courtroom Deputy*

Case Number: *03-M-1117*

Charging District Case Number:

03-M-0448 RBC

The defendant having appeared before this Court pursuant to Rule 40, Fed. R. Crim. P., and proceedings having been concluded and the defendant released;

IT IS ORDERED that the defendant be held to answer in the United States District Court for the

District of *Massachusetts*; and shall appear at all proceedings as required.

(Boston)

The defendant shall next appear at (if blank, to be notified)

on

(as directed)

Date and Time

Place and Address

ATTEST: A TRUE COPY
U.S. DISTRICT COURT, WDNY
RODNEY C. EARLY, CLERK

By

[Signature]
Deputy Clerk

Original Filed

[Signature]
Signature of Judicial Officer

LESLIE G. FOSCHIO

UNITED STATES MAGISTRATE JUDGE

Name and Title of Judicial Officer

12/24/03
Date

United States District Court

Western

DISTRICT OF

New York

FILED

UNITED STATES OF AMERICA

U.S. DISTRICT COURT
W. D. of N.Y.

V.

DEC 24 2003

WAIVER OF RULE 40 HEARINGS

(Excluding Probation Cases)

Kam Wai Chui

BY M. L. Leung

TITLE Courtroom Deputy
Case Number: 03-M-1117

I, Kam Wai Chui

, understand that in the

District of

Massachusetts

, charges are pending

alleging violation of

mail fraud; money laundering; forfeiture; aiding and abetting

, and that I have been

arrested in this District and taken before a United States Magistrate, who informed me of the charge and of my right to:

(1) retain counsel or request the assignment of counsel if I am unable to retain counsel, (2) request transfer of the proceedings to this district pursuant to Rule 20, Fed. R. Crim. P., in order to plead guilty, (3) an identity hearing to determine if I am the person named in the charge, and (4) a preliminary examination (unless an indictment has been returned or an information filed) to determine whether there is probable cause to believe an offense has been committed by me, the hearing to be held either in this district or the district of prosecution.

I HEREBY WAIVE (GIVE UP) MY RIGHT TO A(N):

(X) identity hearing

() preliminary examination

() identity hearing and have been informed I have no right to a preliminary examination

() identity hearing but request a preliminary examination be held in the prosecuting district

and, therefore, consent to the issuance of an order requiring my appearance in the prosecuting district where the charge is pending against me.

ATTEST: A TRUE COPY
U.S. DISTRICT COURT, W.D.N.Y.
RODNEY C. EARLY, CLERK

By [Signature]
Deputy Clerk

Original Filed

Defendant

Defense Counsel

12/24/03

Date

10:59:27 BEGAN

UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF NEW YORK

DETENTION HEARING

MAGISTRATE JUDGE FOSCHIO

COURTROOM: RM. 428

COURTROOM DEPUTY: M. LINDA LEWIS

DATE: 12/24/03

USA v. *Kam Wai Chui*

DOCKET NO.: 03-M-1117

AUSA: *A. Gioia for M. Grisanti* USPO: *A. M. Serotte*COUNSEL: ☐ FOR ☐ WITH DEFENDANT:COURT REPORTER: *Electronic Kimberly Picone*

INTERPRETER:

GOVERNMENT WITNESSES:

DEFENDANT WITNESSES: *Deputy***FILED**
U.S. DISTRICT COURT
W.D. OF N.Y.

DEC 24, 2003

BY *M. L. Lewis*
TITLE *Courtroom*~~EXHIBITS ADMITTED:~~~~GOVERNMENT:~~~~DEFENDANT:~~*Court tendered a copy of Indictment from the District of Massachusetts.*() Gov't rests
X Gov't proceeds by proffer
() No evidence by Gov't() Dft rests
X Dft proceeds by proffer
() No evidence by dftATTEST: A TRUE COPY
U.S. DISTRICT COURT, WDNY
RODNEY C. EARLY, CLERKBy *lp*
Deputy ClerkOriginal Filed *lp**X* Court grants Gov't mtn to detain dft pending trial. Order to be entered. Dft remanded.

() Court denies Gov't mtn to detain dft pending trial. Bail set in amt of _____ Dft remanded.

() Proceedings adj'd to:
on Gov't mtn to detain dft pending trial. Dft remanded.COMMENTS: *Identity is no longer an issue per AUSA - dept concurs.**See In App on Rule 5 arrest (Cont'd from 12/19/03) minute entry following.*

UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF NEW YORK

INITIAL APPEARANCE ON RULE 40 ARREST

(Cited from
12/19/03)U.S. MAGISTRATE JUDGE FOSCHIO

COURTROOM: RM. 428

COURTROOM DEPUTY M. L. LewisDATE 12/24/03USA v. Kam Wai ChuiDOCKET NO. 03-M-1117AUSA A. Gioia for M. Glenti USPO: A. M. SerotteCOUNSEL FOR/WITH DEFENDANT C. CartwellCOURT REPORTER Electronic - Kimberly Pione

INTERPRETER _____

Defendant arrested on: ☒ Complaint ☒ Arrest Warrant☐ Petition for Violation of Probation☒ Indictment issued in _____District of Massachusetts

DATE OF ARREST: _____

TAPE: _____

Defendant advised of rights, including right to counsel.

Defendant sworn, examined and determined eligible/ineligible for court-appointed counsel.

Federal Public Defender/CJA Panel Attorney _____

☒ Rule 40 Hearing waived/set for Waiver executed

Oral motion by Gov't for pretrial detention on the basis of _____

Hearing on Gov't mtn for pretrial detention sched for _____
at _____

Dft released O/R.

Dft remanded.

Bail set in the amount of \$ _____ cash/surety/property.

Dft released upon signing cash/surety/property bond in amt of \$ _____

Dft signs Order Setting Conditions of Release.

Dft signs Waiver of Rights Under Interstate Detainer Act.

Dft released and directed to report to the _____ District of _____

for further proceedings on _____

☒ U.S. Marshal is directed to transport dft to _____ District of Massachusetts

for further proceedings.

☒ Defendant remanded.

ATTEST: A TRUE COPY

U.S. DISTRICT COURT, WDNY

RODNEY C. EARLY, CLERK

By RP
Deputy Clerk

Original Filed _____

11:39:10 END

FINANCIAL AFFIDAVIT

CJA 23
(Rev. 5/99)

IN SUPPORT OF REQUEST FOR ATTORNEY, EXPERT OR OTHER COURT SERVICES WITHOUT PAYMENT OF FEE

IN UNITED STATES
IN THE CASE OF☒ MAGISTRATE☐ DISTRICT☐ APPEALS COURT or☐ OTHER PANEL (Specify below)

VS.

Chui

FILED
U.S. DISTRICT COURT
W.D. OF N.Y.
DEC 19, 2003
BY M.L. Lewis
TDE Courtroom
DeputyW.D.N.Y.
Buffalo

LOCATION NUMBER

36029

DOCKET NUMBERS

Magistrate

District Court

Court of Appeals

PERSON REPRESENTED (Show your full name)

Kam Wai Chui
287 Liberty St.
Quincy, MASS 02269

CHARGE/OFFENSE (describe if applicable & check box →)

☐ Felony☐ Misdemeanor☒ Defendant - Adult☐ Defendant - Juvenile☐ Appellant☐ Probation Violator☐ Parole Violator☐ Habeas Petitioner☐ 2255 Petitioner☐ Material Witness☐ Other (Specify)

ANSWERS TO QUESTIONS REGARDING ABILITY TO PAY

EMPLOYMENT

Are you now employed? ☐ Yes ☒ No ☐ Am Self Employed

Name and address of employer:

IF YES, how much do you
earn per month? \$

IF NO, give month and year of last employment

How much did you earn per month? \$

If married is your Spouse employed?

☐ Yes☐ NoIF YES, how much does your
Spouse earn per month? \$If a minor under age 21, what is your Parents or
Guardian's approximate monthly income? \$

OTHER INCOME

Have you received within the past 12 months any income from a business, profession or other form of self-employment, or in the form of rent payments, interest, dividends, retirement or annuity payments, or other sources? ☒ Yes ☐ NoIF YES, GIVE THE AMOUNT
RECEIVED & IDENTIFY \$
THE SOURCESRECEIVED TOTAL SOURCES
2,000 Unemployment 1/03 - 4/03

CASH

Have you any cash on hand or money in savings or checking account? ☒ Yes ☐ No IF YES, state total amount \$ 300 -

PROPERTY

Do you own any real estate, stocks, bonds, notes, automobiles or other valuable property (excluding ordinary household furnishings and clothing)? ☐ Yes ☒ No

VALUE

DESCRIPTION

IF YES, GIVE THE VALUE AND \$
DESCRIBE IT

\$300 money

ATTEST: A TRUE COPY
U.S. DISTRICT COURT, W.D.N.Y.
RODNEY C. EARLY, CLERK

DEPENDENTS

MARITAL STATUS

☒ SINGLE☐ MARRIED☐ WIDOWED☐ SEPARATED OR
DIVORCEDTotal
No. of
Dependents

4

List persons you actually support and your relationship to them

By *[Signature]*
Deputy Clerk

Original Filed

OBLIGATIONS
& DEBTS

DEBTS & MONTHLY BILLS

(LIST ALL CREDITORS,
INCLUDING BANKS,
LOAN COMPANIES,
CHARGE ACCOUNTS,
ETC.)APARTMENT
OR HOME:

Creditors

Total Debt

Monthly Payt.

In China from 4/03 to present

\$ N/A

\$ N/A

I certify under penalty of perjury that the foregoing is true and correct. Executed on (date)

12/19/03

SIGNATURE OF DEFENDANT
(OR PERSON REPRESENTED)\$300 on his person at time of arrest
\$2,000 in seized acct in MASS.*[Signature]*

USA v. Kam Wai Chui, 03-M-1117

Magistrate Judge Foschio

Time	Speaker	Minutes
3:07:43 PM		<p>INITIAL APPEARANCE re: Rule 5 Arrest, District of Massachusetts (Boston): AUSA M. Grisanti, C. Cantwell w/deft and USPO L. Cullen.</p> <p>Deft advised of his rights, charges against him and penalty range. Deft reqs ct app atty. Deft sworn, examined and determined eligible -- E. CAREY CANTWELL, ESQ. ASSIGNED. USPO correctss PTS rpt in that deft is in possession of a Chinese passport (not US passport). Gov't oral motion for detention on the basis of unreasonable flight risk. Cantwell reqs 5 minute recess (to consult with deft).</p>
3:19:22 PM		RECESS.
3:36:19 PM		<p>[BACK ON THE RECORD] -- Cantwell states (after consulting with AUSA) USMS will not be able to move deft out of the district until January, 2004 if deft is denied bail, etc. Deft is requesting a dtn hrg. Cantwell states he will need 48-hour period to determine identity, detention, etc. AUSA states deft's case has been presented to the GJ and there is an indictment (but AUSA does not have copy of same). DETENTION HEARING SET FOR 12-24-03 AT 11 AM. Deft remanded.</p>
3:43:58 PM	end	

FILED
U.S. DISTRICT COURT
W.D. OF N.Y.

DEC 19, 2003

BY *M. Lewis*

FILE *Courtroom*

ATTEST: A TRUE COPY
U.S. DISTRICT COURT, W.D.N.Y.
RODNEY C. EARLY, CLERK

By *[Signature]*

Deputy Clerk

Original Filed *[Signature]*

12/19/2003

18-10-2003 12:28 From: US ATTORNEY OFFICE ECONOMIC CRIMES UNIT 6177483968 T-750 P.002/002 F-723

AO 442 (Rev. 6/93) Warrant for Arrest

03-M-1117

United States District Court

DISTRICT OF Massachusetts

UNITED STATES OF AMERICA

WARRANT FOR ARREST

v.
Kam Wei Chui

CASE NUMBER: 03 m 0448 RBC

To: The United States Marshal
and any Authorized United States Officer

YOU ARE HEREBY COMMANDED to arrest Kam Wei Chui
name

and bring him or her forthwith to the nearest magistrate judge to answer a(n)

☐ Indictment ☐ Information ☒ Complaint ☐ Order of court ☐ Violation Notice ☐ Probation Violation
Petition

charging him or her with (brief description of offense)

Engaging in a scheme to embezzle stock from account holders at the stock transfer company, Equiserve, Inc.

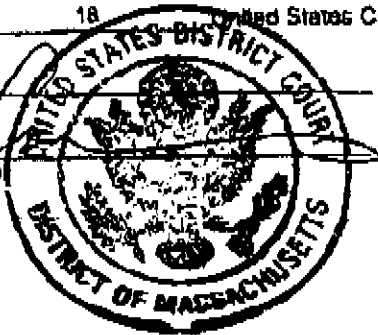
COPY

In violation of
Title

18 United States Code, Section(s) 1341 (mail fraud)

Robert B. Collings
Name of Issuing Officer

Signature of Issuing Officer



United States Magistrate Judge

Title of Issuing Officer

11-07-2003 Boston, Massachusetts

Date and Location

HON. ROBERT B. COLLINGS
UNITED STATES MAGISTRATE JUDGE
United States District Court
United States Courthouse - Suite 6428
1 Courthouse Way
Boston, MA 02210

Bail fixed at \$ _____ by _____
Name of Judicial Officer

RETURN

This warrant was received and executed with the arrest of the above-named defendant at _____

COPY

DATE RECEIVED

NAME AND TITLE OF ARRESTING OFFICER

SIGNATURE OF ARRESTING OFFICER

DATE OF ARREST

AO 91 (Rev. 5/85) Criminal Complaint

United States District Court

DISTRICT OF Massachusetts

UNITED STATES OF AMERICA

v.

Kam Wai Chui
287 Liberty Street
Quincy, MA

CRIMINAL COMPLAINT

CASE NUMBER: 03m0448 RBC

(Name and Address of Defendant)

I, the undersigned complainant being duly sworn state the following is true and correct to the best of my knowledge and belief. On or about October 15, 2002 in Norfolk county, in the

District of Massachusetts defendant(s) did, (Track Statutory Language of Offense)
devise a scheme to defraud and for obtaining money and property by means of false and fraudulent pretenses, representations, and promises, and for the purpose of executing such scheme, did cause persons to mail matters for delivery by the U.S. Postal Service.

In violation of Title 18 United States Code, Section(s) 1341

I further state that I am a(n) US Postal Inspector and that this complaint is based on the following facts:
Official Title

See attached Affidavit of Gerard F. Carmody

Continued on the attached sheet and made a part hereof:

☒ Yes ☐ No

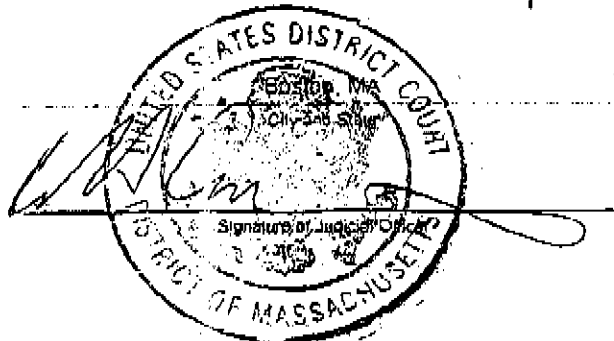
Gerard F. Carmody
Signature of Complainant

Sworn to before me and subscribed in my presence.

NOV - 7 2003 at 11:57 am
Date

Robert B. Collings
United States Magistrate Judge
Name & Title of Judicial Officer

This form was electronically produced by Elite Federal Forms, Inc.



AFFIDAVIT OF POSTAL INSPECTOR GERARD F. CARMODY

I, Gerard F. Carmody, being duly sworn, do depose and state:

1. I have been employed by the United States Postal Inspection Service ("USPIS") in the position of Postal Inspector since January 1987. I am currently assigned to the Boston Division of the USPIS as a supervisor of a team of inspectors who conduct fraud investigations. I have received general law enforcement training in investigating mail and wire fraud, conspiracy, money laundering and other federal offenses. I also have conducted numerous investigations into allegations of such offenses, which have resulted in arrests and convictions of numerous subjects.

2. The information in this affidavit is based on my personal knowledge as a result of my involvement in the investigation described below, as well as information provided to me by other law enforcement officials, a review of various documents and records, and interviews I have conducted of witnesses with relevant first hand knowledge.

3. I have not included in this affidavit all the information known to me about the events and evidence outlined below. Rather, this affidavit is submitted for the limited purpose of establishing a basis for probable cause to believe that Kam Wai Chui knowingly participated in a scheme to defraud which he executed through the postal system in violation of 18 U.S.C. § 1341; and that he knowingly conducted financial

transactions involving the proceeds of the scheme, knowing that such transactions were designed to conceal the nature, location, source and control of the proceeds, in violation of 18 U.S.C. § 1956(a)(1)(B)(i).

4. In March 2003, I became involved in an investigation that had been originally assigned to Postal Inspector Jean Zaniewski, whom I supervise. The investigation focused on allegations that Kam Wai Chui ("Chui"), an employee at the stock transfer business Equiserve, used his access to his employer's computer system to divert well over \$100,000 in stock from shareholder accounts into accounts of his own creation.

Equiserve's Business

5. Based on interviews I have conducted of Equiserve employees and company documents I have reviewed, I have gained a rough understanding of how Equiserve works. Headquartered in Canton, Equiserve operates essentially as a custodian of corporate stock, enabling its corporate clients and their shareholders to complete stock transactions electronically without having to exchange paper stock certificates.

Shareholders of Equiserve's corporate clients may trade stock in individually-directed accounts by phone or mail or via Equiserve's web site.

6. Chui worked at Equiserve from October 30, 2000 to December 20, 2002 as a Processing Associate in the Transfer Operations Department ("TOD"), a job that essentially entailed

his entering shareholder trading instructions into Equiserve's computer system. In the normal course of business, trade requests, however communicated, are received by Equiserve's customer service representatives, who in turn pass the pertinent trade information to the TOD. Trades are queued in this system such that the next trade to be processed appears on a computer monitor in front of the next available processor. Processors gain access to shareholder accounts by entering a username issued by Equiserve, and a password, which is known only to the processor. Each transaction generates an electronic record reflecting, among other things, the processor's username and a "batch" number assigned by the system.

7. The account holder, however, does not receive a record of the transaction. For this reason, unless the account holder is an active trader - something a data processor would be able to determine by looking at the account history - the account holder might never know that shares have been removed from his account. It appears that Chui exploited this loophole in Equiserve's system to carry out his scheme.

Chui's Scheme

8. I have reviewed numerous Equiserve transaction records. The records identify the employee who conducted the transaction in that each bears the employee's unique user name. These records reveal that beginning in June 2001 and continuing until December 2002, Chui established stock accounts in the names of

time was an assistant manager at a Citizens Bank branch in West Roxbury. Records from Citizens Bank indicate that Tony Cho opened a Citizen's checking account in the name of "Daniel Chang" without documenting any proof of the identity of the account holder. Thus when the Equiserve checks arrived at the addresses controlled by Jie Ling Cho, the checks would be endorsed in the payee's names and deposited directly into the Daniel Chang bank account without any objection from the bank.

11. The records of the Daniel Chang bank account reveal that it was nothing but a pass through. All of the funds deposited into it came from Equiserve checks. Virtually all of the withdrawals from the account were made to cash or to Jie Ling Cho.

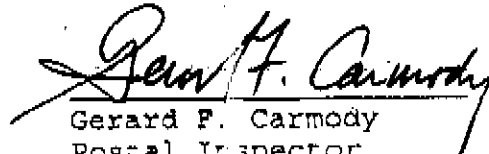
Chui's Confession

12. On December 20, 2002, after having been alerted to Chui's scheme by Equiserve officials, P.I. Zaniewski interviewed Chui at Equiserve's offices. During that interview, Chui signed a written, sworn statement, which was transcribed by P.I. Zaniewski, in which Chui stated:

[f]or about one year, I used Equiserve information to set up dummy accounts and to fund these accounts . . . and a check would be mailed to 'dummy' (sic) address The first I took (sic) this job, they told me the regulations, and I knew what I was doing was wrong.

13. Based upon my investigation, I believe probable cause exists to conclude that Kam Wai Chui did knowingly participate in a scheme to defraud Equiserve shareholders and caused mailings in

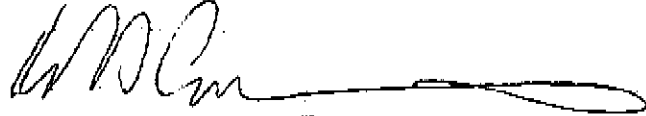
furtherance of the scheme in violation of Title 18, U.S.C. § 1341; and that he knowingly conducted financial transactions involving the proceeds of the scheme, knowing that such transactions were designed to conceal the nature, location, source and control of the proceeds, in violation of 18 U.S.C. § 1956(a)(1)(B)(i).



Gerard P. Carmody
Postal Inspector
U.S. Postal Inspection Service

NOV - 7 2003

Subscribed and sworn to before me this _____ day of November, 2003.



U.S. Magistrate Judge

HON. ROBERT B. COLLINGS
UNITED STATES MAGISTRATE JUDGE
United States District Court
United States Courthouse, - Suite 6420
1 Courthouse Way
Boston, MA 02210

UNITED STATES DISTRICT COURT
DISTRICT OF MASSACHUSETTS

UNITED STATES OF AMERICA

v.

KAM WAI CHUI,

Defendant:

CRIMINAL NO. 03CR10396-NG

VIOLATIONS:

18 U.S.C. § 1341 (Mail Fraud)

18 U.S.C. § 1956 (Money Laundering)

18 U.S.C. § 982 (Forfeiture)

18 U.S.C. § 2 (Aiding and Abetting)

INDICTMENT

THE GRAND JURY CHARGES THAT:

INTRODUCTION

At all times material to this Indictment,

1. KAM WAI CHUI ("CHUI") was a resident of Massachusetts and an employee of Equiserve, Inc.
2. Equiserve, Inc. was a corporation with its principal place of business in Canton, Massachusetts.
3. Citizens Bank was a federally insured bank with branches throughout Massachusetts.

OVERVIEW OF THE SCHEME

4. CHUI engaged in an elaborate scheme to defraud shareholders of corporate stock held in accounts at Equiserve, whereby he diverted stock from legitimate accounts into phony accounts of his own creation, ordered the sale of the stock, and directed the proceeds of the sales to addresses controlled by his girlfriend and himself. Using a dummy bank account set up by his girlfriend's brother and himself at Citizens Bank, CHUI was able to convert the proceeds of the

12-22-03

RECEIVED BY THE CLERK OF THE DISTRICT COURT OF THE DISTRICT OF MASSACHUSETTS
DIRECT COPY OF THE ORIGINAL ON FILE
BY OFFICE AND IN MY LEGAL CUSTODY.

TONY ANASTAS
CLERK, U.S. DISTRICT COURT
DISTRICT OF MASSACHUSETTS

sale to his own use.

Equiserve's Business

5. Equiserve was in the stock transfer business, in which publicly traded corporations retain a company like Equiserve to perform electronic transfers of their stock. One of the principal benefits of this service is that it enables a corporation and its shareholders to trade stock without the inconvenient and costly task of redeeming paper stock certificates.

6. Equiserve also offered a related service to shareholders of its corporate clients whereby it allowed them to trade shares in personally-directed accounts. Account holders could buy or sell shares by instructing Equiserve either by phone or mail, or on its website. Account holders would pay Equiserve a nominal fee for each transaction. Unlike a traditional stock broker, however, Equiserve did not provide shareholders with investment advice.

7. When Equiserve received a sell order from an account holder, it would sell the shares at prevailing market prices and, unless otherwise instructed, automatically would send a check of the proceeds by mail to the account holder's address of record.

8. Equiserve's practice was not to send a record of the transaction to the account holder.

Chui's Role at Equiserve

9. CHUI was employed at Equiserve as a "Processing Associate" in the "Transfer Operations Department" at Equiserve's Canton, Massachusetts facility.

10. When an account holder placed a stock transfer order with Equiserve, the order would be conveyed to the Transfer Operations Department, where Processing Associates like CHUI would enter the transaction information into Equiserve's computer system, which in turn

would execute the transaction.

11. Processing Associates gained access to individual accounts by entering a unique user name assigned by Equiserve and a password known only to the user.

Chui's Scheme to Siphon Shares from Equiserve Accounts

12. Beginning in approximately June 2001, using his unique username and password to gain access to Equiserve's system, CHUI opened numerous phony shareholder accounts. The accounts bore the names of persons who had not authorized their opening, as well as social security numbers that either did not match the names or did not exist at all.

13. The addresses CHUI listed on these accounts were addresses controlled by his girlfriend, Jie Ling Cho, including Cho's home address in Quincy, Massachusetts, as well as a Post Office Box that she had opened in Allston at CHUI's request.

14. Using his username and password to gain access to Equiserve's system, CHUI directed the system on numerous occasions to divert stock from established shareholder accounts into the phony accounts he had created, knowing that he did not have the authorization of the account holders themselves.

15. The dollar value of the stock transfers ranged from the hundreds to the tens-of-thousands of dollars.

16. Once transferred, the stock would reside in the phony account for as long as a few months or as little as a day. In either case, CHUI often would transfer stock among several phony accounts in an effort to make his transactions more difficult to trace.

17. CHUI ultimately transferred most of the shares into phony accounts that bore the nearly identical names "Daniel Chang," "Daniel Chong," or "Daniel Zhang." No one by any of

these names had opened an account at Equiserve.

18. CHUI then would contact Equiserve either by phone, mail or internet, purporting to be "Daniel Chang," "Daniel Chong," or "Daniel Zhang," as the case may have been, and would order the sale of shares from the account.

19. Once Equiserve sold the shares, it would mail the proceeds by check to the address of record on the account; that is, the addresses that Jie Ling Cho controlled.

20. CHUI knew that because banks require proof of identification for certain transactions, including cashing checks, withdrawing cash and opening new accounts, he would not be able simply to cash the Equiserve checks. To evade the proof-of-identification requirement, CHUI sought out and obtained the assistance of Tony Cho, the brother of Jie Ling Cho and an employee of Citizens Bank, to open up an account at Citizens Bank in the name of Daniel Chang. Establishing the account allowed CHUI to deposit the Equiserve checks (as deposits do not require proof of identification) and to write checks off the account.

21. On approximately August 27, 2001, at CHUI's request and on his behalf, Tony Cho in fact opened a checking account (number xxx-xxx-8373) and a savings account (number xxx-xxx-4391) at Citizens Bank in West Roxbury, Massachusetts in the name of Daniel Chang. The address of record on the accounts was 261 West Street, # 2, Boston, Massachusetts 02169, a variant of the address where Jie Ling Cho and he lived, namely 263 West Street, *Quincy*, Massachusetts 02169. CHUI entered Boston as the city on the address and entered a slightly different street number as a way of making his transactions less traceable, knowing that with the correct zip code (and because 261 West Street did not exist), the U.S. Postal Service would deliver any mail concerning the Daniel Chang account to the Quincy address.

22. Jie Ling Cho would retrieve the checks mailed to the addresses to which she had access and deliver them to CHUI, who in turn would deposit them into either the Daniel Chang checking or Daniel Chang savings account at Citizens Bank.

23. Once the checks from Equiserve were credited to the Daniel Chang bank accounts, CHUI would withdraw the funds by check or, with the further assistance of Tony Cho, by cash. Through his scheme, CHUI was able to defraud Equiserve account holders of over \$200,000 worth of stock, converting more than \$150,000 of the total to cash.

COUNTS ONE through FIVE
(Mail Fraud - 18 U.S.C. § 1341)

THE GRAND JURY FURTHER CHARGES THAT:

24. Paragraphs 1-23 are realleged and incorporated by reference as though fully set forth herein.

25. On or about the dates set forth below, in the District of Massachusetts and elsewhere, the defendant,

KAM WAI CHUI

and others known and unknown to the Grand Jury, having devised and intending to devise a scheme and artifice to defraud and for obtaining money and property by means of false and fraudulent pretenses, representations, and promises, for the purpose of executing and attempting to do so, did cause persons to place in post offices and authorized depositories for mail matter, matters and things to be sent and delivered by the United States Postal Service or by private or commercial carrier, and caused to be deposited matters and things to be sent or delivered by the United States Postal Service or by a private or commercial interstate carrier, and took and

received therefrom, such matters and things, and knowingly caused to be delivered by the United States Postal Service mail or by private or commercial carrier according to the directions thereon, such matters and things, as follows:

<u>COUNT</u>	<u>DATE</u> (on or about)	<u>MATTER MAILED</u>
1	7/26/01	Equiserve check # 10253464 to Daniel Chang in the amount of \$3,014.19 to 261 West Street, Boston, MA 02169;
2	4/23/02	Equiserve check # 10317026 to Deniel J. Zhang in the amount of \$5,906.84 to 261 West Street, Boston, MA 02169;
3	5/13/02	Equiserve check # 10254565 to Anne N. Chan in the amount of \$7,886.20 to 261 West Street, Boston, MA 02169;
4	5/13/02	Equiserve check # 10254566 to Evvone L. Chan in the amount of \$7,886.20 to 261 West Street, Boston, MA 02169;
5	10/15/02	Equiserve Check 102268308 to Daniel Jing Zhang Trust in the amount of \$30,032.50 to PO Box 1135, Allston, MA 02134;

All in violation of Title 18, United States Code, Section 1341 and 2.

COUNTS SIX through NINE
(Money Laundering - 18 U.S.C. 1956(a)(1)(B)(i))

THE GRAND JURY FURTHER CHARGES THAT:

26. Paragraphs 1-25 are realleged and incorporated by reference as though fully set forth herein.

27. On approximately August 26, 2001, CHUI asked Tony Cho, an employee at a West Roxbury, Massachusetts branch of Citizens Bank, to open an account for him in the name

of Daniel Chang and provided Tony Cho with account opening information.

28. On approximately August 27, 2001, Tony Cho opened a checking account (number xxx-xxx-8373) and a savings account (number xxx-xxx-4391) at Citizens' Bank, under the name of Daniel Chang and the fake social security number CHUI provided him, 018-74-4785. The address of record on the account, provided by CHUI, was "261 West Street, #2, Boston, MA 02169," a slight variant on the address where Jie Ling Cho and, at times, CHUI lived, namely 263 West Street, *Quincy*, MA 02169. CHUI knew with the correct zip code, the U.S. Postal Service would ensure that all mailings would arrive successfully at the Quincy address, and that by falsely listing "Boston" as the city of record, he intended to make his transactions less traceable.

29. When the Equiserve checks bearing the proceeds of CHUI's fraudulent stock transfers arrived at the addresses Jie Ling Cho controlled, she delivered them to CHUI, who in turn deposited them into either the Daniel Chang saving account or the Daniel Chang checking account at Citizens Bank.

30. Nearly all of the money that passed through the Daniel Chang accounts came directly from the Equiserve checks bearing the proceeds of CHUI's fraudulent stock sales.

31. CHUI withdrew these funds in the form of cash or checks addressed to Jie Ling Cho, to whose account he had access. CHUI would then use the money for his own benefit. CHUI also deposited a check written on the Daniel Chang checking account into another account at Citizens Bank, account number XXX-XXX-1292, in the name of Kam Wai Chui.

32. CHUI used the Daniel Chang and Jie Ling Cho accounts as a means of concealing the source of the funds he deposited into it, namely the proceeds of the sales of stock he stole

from unsuspecting Equiserve stockholders.

33. On or about the dates set forth below, in the District of Massachusetts and elsewhere, the defendant,

KAM WAI CHUI

did knowingly conduct and cause to be conducted financial transactions, as set forth below, affecting interstate and foreign commerce, which financial transactions involved the proceeds of specified unlawful activity, that is mail fraud in violation of 18 U.S.C. § 1341, knowing that the transactions were designed in whole or in part to conceal and disguise the nature, location, source, ownership, and control of the proceeds of such specified unlawful activity, with knowledge that the property involved in the financial transactions represented the proceeds of some form of unlawful activity:

<u>COUNT</u>	<u>DATE</u> (on or about)	<u>TRANSACTION</u>
6	9/13/01	\$4,000 cash debit from Daniel Chang account, #xxxxxxx8373, at Citizens Bank;
7	5/16/02	\$9,500 debit from Daniel Chang account, # xxxxxx8373, at Citizens Bank;
8	5/30/02	\$9,500 debit from Daniel Chang account, # xxxxxx8373, at Citizens Bank; and
9	10/22/02	\$33,000.00 check (#105) from Daniel Chang to Jie Cho.

All in violation of Title 18, United States Code, Section 1956(a)(1)(B)(i) and 2.

FORFEITURE ALLEGATION - MONEY LAUNDERING

(18 U.S.C. § 982)

THE GRAND JURY FURTHER CHARGES THAT:

34. Paragraphs 1-33 are realleged and incorporated by reference as though fully set forth herein.

35. As a result of the money laundering offenses alleged in Counts Six through Nine of this Indictment, the defendant,

KAM WAI CHUI

shall forfeit to the United States any property, real or personal, involved in such offenses, and any property traceable to such property, including without limitation:

- a. all funds credited to Citizens' Bank checking account number XXX-XXX-8373, held in the name of Daniel Chang;
- b. all funds credited to Citizens' Bank account number XXX-XXX-4391, held in the name of Daniel Chang; and
- c. all funds credited to Citizens' Bank account number XXX-XXX-1292, held in the name of Kam Wai Chui.

36. If any of the property described in paragraph 35 above, as a result of any act or omission by the defendant --


- a. cannot be located upon the exercise of due diligence;
- b. has been transferred or sold to, or deposited with, a third party;
- c. has been placed beyond the jurisdiction of the Court;
- d. has been substantially diminished in value; or

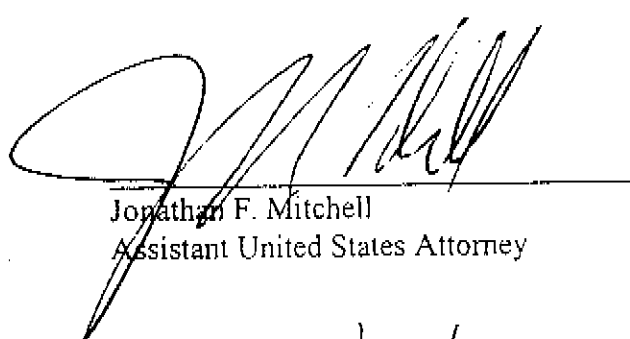
- e. has been commingled with other property which cannot be subdivided without difficulty,

it is the intention of the United States, pursuant to Title 21, United States Code, Section 853(p), which is incorporated by Title 18, United States Code, Section 982(b)(1), to seek forfeiture of any other property of the defendant up to the value of the property described in paragraph 35 above.

All in violation of Title 18, United States Code, Section 982.

A TRUE BILL


FOREPERSON OF THE GRAND JURY


Jonathan F. Mitchell
Assistant United States Attorney

Date:

12/17/03 @ 4:30

